

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LORDSTOWN MOTORS CORP., *et al.*¹

Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Obj. Deadline: March 5, 2024 at 4:00 p.m. (ET)

Hearing Date: March 14, 2024 at 3:00 p.m. (ET)

**SUMMARY OF FIRST INTERIM APPLICATION OF M3 ADVISORY PARTNERS, LP,
AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF EQUITY
SECURITY HOLDERS, FOR ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
SEPTEMBER 7, 2023 THROUGH DECEMBER 31, 2023**

Name of Applicant

M3 Advisory Partners, LP

Authorized to provide professional
services to:

Official Committee of Equity Security Holders
Lordstown Motors Corp., et al.

Date of retention order:

October 16, 2023 *nunc pro tunc* to September 7, 2023

Period for which compensation and
reimbursement sought:

September 7, 2023 through December 31, 2023

Compensation sought as actual,
reasonable, and necessary:

\$775,833.50

Expense reimbursement sought as actual,
reasonable, and necessary:

\$8,705.24

This is a(n): monthly interim final

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors' service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

Prior applications:

Monthly Fee Application Filing Date & Docket No.	Period Covered	Total Fees Requested	Total Expenses Requested	CNO Filing Date & Docket No.	Amount of Fees Authorized to be Paid	Amount of Expenses Authorized to be Paid
11/10/2023 [D.I. 686]	9/07/2023 – 9/30/2023	\$318,300.00	\$378.66	12/1/2023 [D.I. 764]	\$254,640.00	\$378.66
12/6/2023 [D.I. 787]	10/1/2023 – 10/31/2023	\$233,752.00	\$346.19	12/27/2023 [D.I. 873]	\$187,001.60	\$346.19
2/14/2024 [D.I. 978]	11/01/2023 – 11/30/2023	\$136,704.50	\$7,803.44	-	-	-
2/14/2024 [D.I. 979]	12/01/2023 – 12/31/2023	\$87,077.00	\$176.95	-	-	-
TOTALS		\$775,833.50	\$8,705.24		\$441,641.6	\$724.85

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In re:	Chapter 11
LORDSTOWN MOTORS CORP., <i>et al.</i> ¹	Case No. 23-10831 (MFW)
Debtors.	(Jointly Administered)
Obj. Deadline: March 5, 2024 at 4:00 p.m. (ET)	
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FIRST INTERIM APPLICATION OF M3 ADVISORY PARTNERS, LP, AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS, FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM SEPTEMBER 7, 2023 THROUGH DECEMBER 31, 2023

M3 Advisory Partners, LP (“M3 Partners”), Financial Advisor to the Official Committee of Equity Security Holders (the “Equity Committee”) of Lordstown Motors Corp., the above-captioned debtors (the “Debtors”), hereby submits its *First Interim Application of M3 Advisory Partners, LP, as Financial Advisor to the Official Committee of Equity Security Holders, for Allowance of Compensation and Reimbursement of Expenses for the Period from September 7, 2023 through December 31, 2023* (the “Application”) for entry of an order pursuant to section 331 of title 11 of the United States Code, 11 U.S.C. §§101 et seq, as amended (the “Bankruptcy Code”) for allowance of compensation in the amount of \$775,833.50 and reimbursement of expenses in the amount of \$8,705.24 for the period September 7, 2023 through December 31, 2023 (the “Interim Compensation Period”), in support thereof, M3 Partners respectfully represents as follows:

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §1334. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A) and (B).

2. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§1408 and 1409.

3. The statutory predicate for the relief sought herein is section 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-2.

BACKGROUND

4. On June 27, 2023, (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively the “Chapter 11 Cases”). The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

5. The Debtors have continued in the possession of its property and have continued to operate and manage its business as Debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

6. On July 13, 2023, the Debtor filed the *Debtors’ Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals and Committee Members* (the “Interim Compensation Motion”) [Docket No. 111], and on July 25, 2023, the Court entered an Order approving the Interim Compensation Motion (the “Interim Compensation Order”) [Docket No. 181].

7. On September 7, 2023, the United States Trustee for the District of Delaware (the “United States Trustee”) filed its notice of appointment of the three (3) member Equity Committee

pursuant to section 1102(a)(1) of the Bankruptcy Code.² On or about September 7, 2023, the Equity Committee selected Brown Rudnick LLP (“Brown Rudnick”) as its general bankruptcy counsel, and soon thereafter Morris James was selected to serve as Delaware counsel to the Equity Committee.

8. On September 27, 2023, the Equity Committee filed the *Application for Entry of an Order Authorizing the Retention and Employment of M3 Advisory Partners, LP as Financial Advisor to the Official Committee of Equity Security Holders Nunc Pro Tunc to September 7, 2023* (the “Retention Application”) [Docket No. 479]. On October 16, 2023, the Court entered an order approving the Retention Application, *Nunc Pro Tunc* to September 7, 2023 [Docket No. 559].

SERVICES PROVIDED BY M3 Partners

9. Since its retention, M3 Partners, in its capacity as Financial Advisor to the Equity Committee, undertook, the following:

- a. assist with the analysis, review and monitoring of the chapter 11 process, including, but not limited to assessment of potential recoveries for equity security holders;
- b. assist with the review of financial information prepared by the Debtors, including, but not limited to, cash flow projections and budgets, cash receipts and disbursement analysis, asset and liability analysis, and the economic analysis of proposed transactions for which Court approval is sought;
- c. assist with the assessment and monitoring of the Debtors’ short term cash flow, liquidity, and operating results;
- d. analyze the Debtors’ proposed chapter 11 plan, and develop alternative scenarios, if necessary;
- e. assess the Debtors’ various pleadings;
- f. prepare or review, as applicable, claim analyses;
- g. assist the Committee in reviewing the Debtors’ financial reports, including, but not limited to, statements of financial affairs, schedules of

² The Equity Committee members are the following: (1) Crestline Management, L.P.; (2) Pertento Partners LLP; and (3) Esopus Creek Value Series Fund LP – Series “A”.

assets and liabilities, budgets, and monthly operating reports;

- h. advise the Committee on the current state of the Chapter 11 Cases;
- i. advise the Committee in negotiations with the Debtors and third parties as necessary;
- j. assist with the prosecution of the Committee's responses/objections to the Debtors' motions, including attendance at hearings as required by the Committee.

MONTHLY APPLICATIONS

10. On November 10, 2023, M3 Partners filed its first monthly application for compensation and reimbursement of expenses [Docket No. 686] (the “First Monthly Application”). In the First Monthly Application, M3 Partners sought approval of compensation of \$318,300.00 and reimbursement of expenses in the amount of \$378.66 for the period September 7, 2023 through September 30, 2023.

11. On December 6, 2023, M3 Partners filed its second monthly application for compensation and reimbursement of expenses [Docket No. 787] (the “Second Monthly Application”). In the Second Monthly Application, M3 Partners sought approval of compensation of \$187,001.60 and reimbursement of expenses in the amount of \$346.19 for the period October 1, 2023 through October 31, 2023.

12. On February 14, 2024 M3 Partners filed its third monthly application for compensation and reimbursement of expenses [Docket No. 978] (the “Third Monthly Application”). In the Third Monthly Application, M3 Partners sought approval of compensation of \$136,704.50 and reimbursement of expenses in the amount of \$7,803.44 for the period November 1, 2023 through November 30, 2023.

13. On February 14, 2024 M3 Partners filed its fourth monthly application for compensation and reimbursement of expenses [Docket No. 979] (the “Fourth Monthly Application”). In the Fourth Monthly Application, M3 Partners sought approval of compensation

of \$87,077.00 and reimbursement of expenses in the amount of \$176.95 for the period December 1, 2023 through December 31, 2023.

14. The total sum due to M3 Partners for professional services rendered on behalf of the Equity Committee for the Interim Compensation Period is \$775,833.50. A chart detailing the fees in each of the applications during the Interim Compensation Period, by professional and by category is attached as **Exhibit A**. M3 Partners submits that the professional services it rendered on behalf of the Equity Committee during this time were both reasonable and necessary.

15. M3 Partners incurred \$8,705.24 of expenses during the Interim Compensation Period. A chart detailing the specific disbursements is attached hereto as **Exhibit B**.

16. The undersigned hereby attests that he has reviewed the requirements of Local Rule 2016-1 and this Application conforms to such requirements, including that travel time was not billed at more than half rate and copying charges were only \$0.10 per page.

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WHEREFORE, M3 Partners hereby requests pursuant to the procedures allowed in the Interim Compensation Order: (i) approval of allowance and payment on an interim basis, of M3 Partners' compensation necessary and valuable professional services rendered to the Equity Committee in the sum of \$775,833.50 and reimbursement of expenses in the sum of \$8,705.24 for the period September 7, 2023 through December 31, 2023; (ii) payment of any 20% holdback that was withheld from payment under the monthly fee application; and (iii) such other and further relief as is just and proper.

Dated: February 14, 2024

M3 ADVISORY PARTNERS, LP

/s/ Robert Winning

Robert Winning
Managing Director, M3 Advisory Partners, LP